

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Delegation of)	DOCKET A-042090
Authority to the Secretary of the)	
Commission Pursuant to RCW)	ORDER 04
80.01.030)	
)	ORDER REINSTATING
)	DELEGATION OF AUTHORITY TO
)	SECRETARY OF COMMISSION TO
)	AUTHORIZE TEMPORARY FUEL
.....)	SURCHARGES

BACKGROUND

- 1 On April 27, 2005, the Utilities and Transportation Commission (Commission) issued Order 02 in this docket, delegating authority to the Secretary of the Commission (Secretary), pursuant to RCW 80.01.030, to order temporary fuel surcharges for auto transportation companies, commercial ferries, and household goods companies. The Commission granted petitions for fuel surcharges on less than statutory notice and without customer notice, provided the petitions complied with certain requirements. The fuel surcharges were effective for a period of one month.

- 2 The expedited process by which the Commission authorized fuel surcharges simplified the administrative burden for both the companies and the Commission. The Commission found that, in 2005, rapidly rising and fluctuating fuel prices created an unmet financial burden on the companies.

- 3 The companies petitioned for and the Commission granted more than 245 separate fuel surcharges under the expedited process. Auto transportation companies requested ninety-three percent of the surcharges. Commercial ferries requested seven percent. No commercial ferry has requested a fuel surcharge since 2008. No household goods company sought a fuel surcharge.

- 4 Fuel prices have not remained relatively stable since June 2009 as asserted by staff and are predicted to remain unstable so for the foreseeable future, given current economic conditions and a increased world wide weaker demand. While the radical month-to-month changes seen through June of 2009 have somewhat abated, the need for a simplified, expedited process by which the Commission authorized fuel surcharges still exists.

- 5 In the absence of any data to the contrary, lack of consumer input or complaint, no argument that continued granting of short-term fuel surcharges may result in rates that are not fair, just, reasonable and sufficient is logical. Historically, fuel costs account for approximately .2 percent to 1.5 percent of a company's base fare no negative economic impact is foreseen to the consumer. On the other hand, to not recover increased fuel expenses in time or rising prices is a detriment and an economic hardship to the operators.
- 6 In the absence of the simplified process established in Order 02, companies wishing to file for fuel surcharges would be subjected to a potentially costly and drawn out regulatory process that is not timely or responsive to the fluctuations in fuel prices.
- 7 In order to allow affected companies sufficient time to plan, Staff recommended that the expedited process remain in place through November 30, 2010.
- 8 In summary, Staff recommended that the authority delegated to the Secretary to authorize fuel surcharges be rescinded effective November 30, 2010.

FINDINGS AND CONCLUSIONS

- 9 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts and affiliated interests of public service companies, including auto transportation companies, commercial ferry companies and household goods carriers. *RCW 80.01.040, RCW 81.01, RCW 81.04, RCW 81.08, RCW 81.12, RCW 81.16, RCW 81.28, RCW 81.68, RCW 81.80, and RCW 81.84.*
- 10 (2) This matter came before the Commission at its regularly scheduled meeting on September 30, 2010. Upon considering testimony, Staff's recommendation to rescind Order 02, effective November 30, 2010, is rejected in favor of an effective date of January 31, 2011.
- 11 (3) In April of 2005, the Commission issued Order 02 in this docket delegating authority to the Secretary of the Commission, pursuant to RCW 80.01.030, to order temporary fuel surcharges for auto transportation companies, commercial

ferries, and household goods companies.

(4) The Commission issued Order 02 as an administrative convenience in response to rapidly rising and fluctuating fuel prices experienced at that time. Currently fuel prices have not leveled out and become relatively stable. Therefore, the rationale for recinding Order 02 no longer exists.

(5) RCW 81.28.010 requires that, "[a]ll charges made for any service rendered or to be rendered in the transportation of persons or property, or in connection therewith, by any common carrier subject to regulation by the commission as to rates and service, or by any two or more such common carriers, must be just, fair, reasonable, and sufficient." It is in the public interest to reinstate Order 02 to allow for flexibility in fares to reflect actual fuel pricing at any time there-by minimizing the potential increases to the consumer.

ORDER

THE COMMISSION ORDERS:

- 12 (1) Order 02 in Docket No. A-042090, dated April 27, 2005, delegating authority to the Secretary of the Commission, pursuant to RCW 80.01.030, to order temporary fuel surcharges for auto transportation companies, commercial ferries, and household goods companies, is reinstated effective January 31, 2011.

DATED at Olympia, Washington, and effective December , 2010.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFFREY D. GOLTZ, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner

WEST COAST SHUTTLE FARES BY TIME AND MILEAGE

AIRPORT	OPERATOR	ONE-WAY BASE FARE	TRIP LENGTH	TRIP TIME (HOURS)	COST PER MILE	COST PER HOUR
SEATTLE	SEATAC SHUTTLE	\$ 36.00	82	2.25	\$ 0.44	\$ 16.00
PORTLAND	ISLAND COACH-ALBANY, OR	\$ 111.67	81	1.32	\$ 1.38	\$ 84.60
SAN FRANCISCO	DAVIS AIRPORTER-S	\$ 85.00	84	1.32	\$ 1.01	\$ 64.39
	SONOMA AIRPORT EXPRESS-S	\$ 32.00	53	0.93	\$ 0.60	\$ 34.41
	SONOMA AIRPORTER-D	\$ 50.00	53	0.93	\$ 0.94	\$ 53.76
	SUPER SHUTTLE-NAPA-D	\$ 80.00	58	1	\$ 1.38	\$ 80.00
	SOUTH & EAST BAY-TO SIC-S	\$ 55.00	34	0.55	\$ 1.62	\$ 100.00
LOS ANGELES	SUPER SHUTTLE-OCEANSIDE	\$ 120.00	87	1.28	\$ 1.38	\$ 93.75
	ANTELOPE EXPRESS-PALMDALE-S	\$ 48.00	67	1	\$ 0.72	\$ 48.00
PHOENIX	SUPER SHUTTLE-SURPRISE-D	\$ 35.00	34	0.62	\$ 1.03	\$ 56.45
	ARIZONA SHUTTLE-TUCSON-S	\$ 37.00	112	1.67	\$ 0.33	\$ 22.16
	ARIZONA SHUTTLE-CAMPE VERDE-S	\$ 39.00	95	1.5	\$ 0.41	\$ 26.00
	BISON EXPRESS-YUMA-S	\$ 62.00	188	2.8	\$ 0.33	\$ 22.14
	SHUTTLE2SURPRISE-S	\$ 25.00	34	0.62	\$ 0.74	\$ 40.32

CODES: D=DOOR TO DOOR, S=SCHEDULED